

# TARIFF ACTION MEMORANDUM

File No.: TA174-341

Date: December 17, 2020

Date Filed: November 23, 2020

Statutory End Date: January 7, 2021

Name of Utility: Gold Country Energy

Description: Quarterly COPA and PCE Update

## Synopsis of Filing:

Gold Country Energy submits its quarterly Cost of Power Adjustment, Power Cost Equalization and Small Facility Power Purchase Rate update for the period beginning October 1, 2020.

## Tariff Recommendation:

The Commission should:

1. Approve Tariff Sheet Nos. 62, 67, and 68, filed November 23, 2020, by Gold Country Energy with TA174-341, as shown on the side-by-side tariff sheets (Appendix 1). The effective date of the tariff sheets should be January 7, 2021.
2. Grant Gold Country Energy's request to extend the filing deadline for its Fiscal Years 2018 and 2019 Annual Operations Reports until March 1, 2021.
3. Remind Gold Country Energy that its Fiscal Year 2020 Annual Operations Report is due March 31, 2021.

Reason(s) for the above-indicated recommendation: See attached memorandum.

Signed: Steven Jones  
Steven Jones

Title: Utility Tariff Analyst

Commission decision regarding this recommendation:

	Date (if different from 12/17/2020)	<u>I CONCUR</u>	<u>I DO NOT CONCUR</u>	<u>I WILL WRITE A DISSENTING STATEMENT*</u>
Pickett		<u>RMP</u>		
McAlpine		<u>SM</u> SM		
Scott		<u>AGS</u> AGS		
Sullivan		<u>DS</u> DS		
Wilson		<u>JW</u> JW		

\* If this column is initialed, Staff will contact the Commissioner for the statement; otherwise, the dissent will simply be noted at the close of the By Direction letter or order.

STATE OF ALASKA  
**The Regulatory Commission of Alaska**  
701 West 8<sup>th</sup> Ave., Suite 300  
Anchorage, Alaska 99501-3469

**M E M O R A N D U M**

To: Robert M. Pickett, Chairman  
Stephen McAlpine  
Antony Scott  
Daniel A. Sullivan  
Janis W. Wilson

Date: December 17, 2020

From: Steven Jones, Utility Tariff Analyst

Subject: TA174-341 Gold Country Energy  
Quarterly COPA and PCE Update

**STATEMENT OF CASE**

Gold Country Energy (GCE) submits its quarterly Cost of Power Adjustment (COPA), Power Cost Equalization (PCE) and Small Facility Power Purchase Rate (SFPPR) update for the period beginning October 1, 2020.

**RECOMMENDATION**

1. Approve Tariff Sheet Nos. 62, 67, and 68, filed November 23, 2020, by GCE with TA174-341, as shown on the side-by-side tariff sheets (Appendix 1). The effective date of the tariff sheets should be January 7, 2021.
2. Grant GCE's request to extend the deadline for filing its Fiscal Years (FY) 2018 and 2019 Annual Operations Reports (AOR) until March 1, 2021.
3. Remind GCE that its FY2020 AOR is due March 31, 2021.

**BACKGROUND**

GCE is a privately-owned electric utility providing service to 135 customers in Central, Alaska.<sup>1</sup> GCE's electric load requirement is met with diesel generation and the related fuel cost are recovered through its COPA.<sup>2</sup>

GCE now submits TA174-341, its quarterly COPA and PCE update for the period beginning January 1, 2021. In accordance with historic Commission practice, a public notice was not issued for TA174-341.<sup>3</sup>

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<sup>1</sup> See tariff advice letter for TA174-341, at 3.

<sup>2</sup> Using GCE's approved methodology as established in Order No. U-10-065(3) *Order Approving Transfer With Conditions, Requiring Filings, Approving Tariff Adoption Notice, and Closing Docket*. GCE's base cost of power is set at \$0.1387 recovered through GCE's base energy rates. GCE's COPA surcharge recovers the remaining power costs not included in base energy rates.

<sup>3</sup> One reason the Commission forgoes publication notice for COPA filings is 3 AAC 52.504(d) which states "[f]or a COPA filing under (b) of this section, an electric utility is not required to give public notice under AS 42.05.411..." This

## ANALYSIS

### ***COPA Surcharge Decrease (Tariff Sheet No. 67)***

Proposed revisions to COPA surcharges are reviewed under 3 AAC 52.504, which requires information supporting entries in the balancing account for the historical period, and support for projections for the future period.<sup>4</sup>

Calculation of the COPA surcharge consists of two parts. The first part includes a 3-month estimate of kWh sales and fuel and power costs.<sup>5</sup> GCE submitted supporting documentation for the estimates for the 3-month period of October through December 2020. The second part includes documentation for the actual balancing account entries for July 2020 through September 2020, and the balancing account balance as of September 30, 2020. GCE provided actual usage, generation, cost, and sales data for the period, including invoices and spreadsheets supporting the balancing account entries.

With TA174-341, GCE proposes a COPA surcharge of \$0.0567/kWh, a decrease from the currently approved COPA surcharge of \$0.0849/kWh. Table 1 illustrates the effect of the proposed surcharges on an average residential customer billing for 500 kWh.

**TABLE 1**

Sample Residential Customer Billing - 500 kWh Usage				
Line	Description	Current Rates	Proposed Rates	Change
1	COPA Surcharge (\$/kWh)	\$ 0.0849	\$ 0.0567	(0.0282)
2	PCE Credit (\$/kWh)	0.2781	0.2509	(0.0272)
3	<b>500 KWH CUSTOMER BILL</b>			
4	Energy Charge @ \$0.5089/kWh	\$ 254.45	\$ 254.45	\$ -
5	COPA Surcharge (\$)	42.45	28.35	(14.10)
6	PCE Credit (\$)	(139.05)	(125.45)	13.60
7	RCC @ \$0.000654/kWh	0.33	0.33	-
8	TOTAL 500 KWH CUSTOMER BILL	<u>\$ 158.18</u>	<u>\$ 157.68</u>	\$ (0.50)

Factors that may affect the calculation of GCE's COPA surcharge includes the previous period's balancing account balance, generation efficiency, and projected fuel and power costs. Changes in these factors frequently offset each other. Any factor that increases the average cost per kWh sold will put upward pressure on the COPA surcharge and any factor that decreases the average cost per kWh sold will put downward pressure on the surcharge. The proposed decrease to GCE's COPA surcharge is primarily driven by:

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allows a utility to implement a COPA upon filing, rather than waiting the 45 days specified in AS 42.05.411 to ensure adequate notice to the public of a tariff revision.

<sup>4</sup> 3 AAC 52.504(g); this support includes invoices, records, reports, calculations, contracts and any other information the Commission and Staff consider necessary to explain the proposed COPA calculation.

<sup>5</sup> See Side by Side Tariff Sheet No. 67, at line 1, attached as Appendix 1. GCE's 3-month projections are developed using actual data from the previous year.

- (1) A decrease in projected fuel costs for the quarter. The projected cost of fuel decreased from \$25,187.87 to \$21,852.75.<sup>6</sup> The quantity of fuel decreased from 11,095 gallons to 10,897 gallons and the cost per gallon decreased from \$2.2702 per gallon to \$2.0054 per gallon.<sup>7</sup> The overall effect is a decrease in fuel costs, which places downward pressure on the COPA surcharge.
- (2) An increase to the balancing account balance. The balancing account balance increased from (\$6,813.46) to (\$4,363.49).<sup>8</sup> This indicates that less revenue was collected via the COPA surcharge than costs were incurred. This increase in the balancing account balance places upward pressure on the COPA surcharge.
- (3) An increase in projected kWh sales for the quarter. The projected kWh sales increased from 82,163 kWh to 89,490 kWh.<sup>9</sup> The increase in the projected sales results in the projected costs being spread over a larger number of kWh,<sup>10</sup> placing downward pressure on the COPA surcharge.

The increase in balancing account places upward pressure on the COPA surcharge; this is offset by the downward pressure from the decrease in projected fuel costs and the increase in projected sales. The overall effect is a decrease in GCE's COPA surcharge.

The revisions proposed in TA174-341 did not include a change in methodology or new cost element. As such, GCE could have implemented the proposed COPA surcharge upon filing, under 3 AAC 52.504(b).<sup>11</sup> However, GCE has preferred that its PCE level change take effect concurrently with its COPA surcharge, and elects to wait to implement the proposed COPA surcharge until Commission approval is received. Staff has reviewed all information and calculations filed in support of the proposed surcharge and verified that GCE provided all required information. Staff confirmed that the proposed COPA surcharge was calculated accurately, using GCE's approved methodology, and that the tariff sheet is correct.<sup>12</sup> Therefore, Staff recommends the Commission approve Tariff Sheet No. 67.

### ***SFPPR Decrease (Tariff Sheet No. 68)***

The Small Facility Power Purchase Rate (SFPPR) is the rate at which GCE purchases energy from Qualifying Facilities with a design capacity of 100/kWh or less. The SFPPR,

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<sup>6</sup> See Side-by-Side Tariff Sheet No. 67, attached as Appendix 1, at line 1.

<sup>7</sup> *Ibid.*

<sup>8</sup> *Id.*, at line 2.

<sup>9</sup> *Id.*, at line 4.

<sup>10</sup> The total projected costs include the balancing account balance, see Side-by-Side Tariff Sheet No. 67, attached as Appendix 1, at line 5.

<sup>11</sup> 3 AAC 52.504(b) states that an electric utility may implement a COPA filing that does not include a new methodology or cost element immediately upon filing with the Commission, although the COPA filing is subject to subsequent review, adjustment, and approval by the Commission.

<sup>12</sup> Side-by-side tariff sheets are attached as Appendix 1.

expressed in cents-per-kWh, is calculated as the sum of projected fuel costs, variable operations and maintenance expenses, and the energy portion of purchased power expenses, divided by the number of kWh sold, using the same projected costs and sales in the COPA surcharge methodology.

GCE proposes an SFPPR of \$0.2442/kWh<sup>13</sup> a decrease from the currently approved SFPPR of \$0.3066/kWh. Staff confirmed that the proposed SFPPR was calculated accurately, using GCE's approved methodology, and that the tariff sheet is correct. Therefore, Staff recommends that the Commission approve Tariff Sheet No. 68.

***PCE Decrease (Tariff Sheet No. 62)***

Proposed adjustments to PCE amounts are evaluated under 3 AAC 52.600-690. Each participating regulated electric utility is required to submit revised PCE amounts in conjunction with COPA surcharge adjustments.<sup>14</sup> The utility must provide information supporting the request for the PCE amount revision.<sup>15</sup> Adjustments will be made to the PCE amounts if the utility does not achieve the generation efficiency and/or line loss standards set out in 3 AAC 52.620.<sup>16</sup> If a utility fails to meet the generation efficiency standards (kWh/gallon), Staff will impute the number of gallons that should have been consumed. Because 3 AAC 52.610(f) provides no guidance on the method of imputing the number of gallons that should have been consumed, Staff uses the method prescribed for non-regulated utilities in 3 AAC 52.610(g)(1)(B). If a utility fails to meet the line loss standard of 12 percent, Staff will impute the number of kWh that should have been sold. The resulting imputed sales and/or generation is then used to calculate an adjusted balancing account balance which is used in determining the total fuel power costs used in the calculation of the PCE amount.

Staff notes that GCE failed met the 10.5 kWh per gallon generation efficiency standard for July and August 2020; however, GCE's annual efficiency in July met the standard. As a result, Staff decreased the consumption for August 2020 by 152.4 gallons, which decreased the balancing account balance by \$339.24. In addition, GCE failed to meet the 12% line loss standard. GCE's monthly line loss was 18.36%, 17.89%, and 18.82% for July, August, and September, respectively. GCE's annual line loss was 19.77%, 19.50%, and 19.30% for the same respective months. As a result, Staff increased the kWh sales for July, August, and September 2020 by 2,243 kWh, 2,427 kWh, and 2,472 kWh, respectively. The adjustment caused the balancing account balance to decrease \$1748.28. The combined adjustments resulted in the adjusted balancing account decreasing from (\$4,363.49) to (\$6,451.01).

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<sup>13</sup> See side by side Tariff Sheet No. 68, attached as Appendix 1.

<sup>14</sup> See 3 AAC 52.640(a)(1) which provides that a utility will request a change in its PCE with the approval of a tariff filing under 3 AAC 52.501 – 3 AAC 52.519, the regulations specific to COPA filings.

<sup>15</sup> See 3 AAC 52.640(d).

<sup>16</sup> See 3 AAC 52.620, *Generation Efficiency and Line Loss Standards*.

As shown on Tariff Sheet No. 62 filed with **Error! Reference source not found.**, GCE proposes a PCE level of \$0.2509/kWh,<sup>17</sup> which is a decrease from the currently approved PCE level of \$0.2781/kWh. Staff confirmed that the proposed PCE level was calculated accurately and the tariff sheet is correct. Therefore, Staff recommends the Commission approve Tariff Sheet No. 62.

### **ANNUAL OPERATIONS REPORT**

3 AAC 52.660(b) states that a regulated utility participating in the PCE program must file an annual operations report, as required under AS 42.05.451(b).<sup>18</sup> AS 42.05.451(b) states, in part, that a utility will file its annual operations report within 90 days of the close of its authorized annual accounting period.<sup>19</sup> 3 AAC 52.680(c) states that, if a participating electric utility fails to file its annual report when due, the PCE becomes interim and refundable on the date the annual report was due and that the Commission may recommend that further PCE disbursements to the utility be suspended until the annual report is filed.<sup>20</sup>

GCE's AOR for FY2018 was due on March 31, 2019. Consistent with Commission practice, a reminder letter was sent to GCE on February 14, 2019.<sup>21</sup> On March 22, 2019, GCE requested an extension until April 30, 2019, to file its FY2018 AOR.<sup>22</sup> On March 26, 2019, the Commission issued Letter Order No. L1900133, granting the extension for filing the FY2018 AOR. On May 10, 2019, a second reminder letter was sent to GCE.<sup>23</sup> GCE's AOR for FY2019 was due March 31, 2020. Consistent with Commission practice a reminder letter was sent to GCE on February 11, 2020.<sup>24</sup> A second reminder letter was sent to GCE on May 20, 2020.<sup>25</sup> In this letter, GCE was reminded that its AOR was past due, how to locate AORS on the Commission website, and how to file AORs.<sup>26</sup>

On October 20, 2020, the Commission issued Letter Order No. L2000382 approving tariff sheets filed with TA173-341 and requiring GCE to file its FY2018 and FY2019 AORs no later than November 30, 2020. On November 30, 2020, GCE requested to extend the submission of the FY2018 and FY2019 AORs until March 1, 2021. In its request, GCE

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<sup>17</sup> Detailed PCE calculations are shown on Appendix 2.

<sup>18</sup> See 3 AAC 52.660(b).

<sup>19</sup> See AS 42.05.451(b).

<sup>20</sup> See 3 AAC 52.680(c).

<sup>21</sup> See TR1901305, issued February 14, 2019.

<sup>22</sup> See TR1901586, filed March 22, 2019.

<sup>23</sup> See TR1902894, issued May 10, 2019.

<sup>24</sup> See TR2001736, issued February 11, 2020.

<sup>25</sup> See TR2003329, issued May 20, 2020.

<sup>26</sup> AS 42.05.451(b) states "A public utility shall maintain its accounts on a calendar year basis unless specifically authorized by the commission to maintain its accounts on a fiscal year basis. Within 90 days after the close of its authorized annual accounting period or additional time granted upon a showing of good cause, a public utility shall file with the commission a verified annual report of its operations during the period reported, on forms prescribed by the commission."

indicated the owner had taken on additional commitments which has delayed work on the financial reporting of the AOR.<sup>27</sup>

Staff reviewed the request and recommends that the Commission grant GCE's request to file its FY2018 and FY2019 AORs by March 1, 2021. Staff notes that with the issuance of Letter Order No. L2000382, the Commission has required GCE to file past AORs twice.<sup>28</sup> Staff believes that an additional reminder for the FY2020 AOR may be a benefit to GCE. Therefore, Staff recommends that GCE be reminded that its FY2020 AOR is due no later than March 31, 2021.

### CONCLUSION

With TA174-341, GCE requests approval of its revised COPA, SFPPR, and PCE levels for the period beginning January 1, 2021. Staff has verified the proposed surcharge and level were calculated accurately using GCE's approved methodology, the proper support was filed, and the tariff sheets are correct. Therefore, Staff recommends the Commission should:

1. Approve Tariff Sheet Nos. 62, 67, and 68, filed November 23, 2020, by Gold Country Energy with TA174-341. The effective date of the tariff sheets should be January 7, 2021.
2. Grant Gold Country Energy's request to extend the filing deadline for its FY2018 and FY2019 AORs until March 1, 2021.
3. Remind Gold Country Energy that its FY2020 AOR is due March 31, 2021.

Signature: 

Email: bob.pickett@alaska.gov

Signature:   
Stephen McAlpine (Dec 17, 2020 08:52 AKST)

Email: stephen.mcalpine@alaska.gov

Signature:   
Antony Scott (Dec 17, 2020 09:23 AKST)

Email: antony.scott@alaska.gov

Signature:   
Daniel Sullivan (Dec 17, 2020 10:38 AKST)

Email: daniel.sullivan@alaska.gov

Signature:   
Jan Wilson (Dec 17, 2020 16:49 AKST)

Email: janis.wilson@alaska.gov

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<sup>27</sup> See TR2006693, filed November 30, 2020.

<sup>28</sup> See Letter Order No. L1700277, issued June 30, 2017, and Letter Order No. L20000382, issued October 20, 2020.

RCANo. 341

43rd

Canceling

42nd

Sheet No. 62

Sheet No. 62

**RECEIVED****SEP 08 2020**STATE OF ALASKA  
REGULATORY COMMISSION OF ALASKA

Utility Name: Gold Country Energy

**V. POWER COST EQUALIZATION**

## Power Cost Equalization

The following conditions apply to Power Cost Equalization (PCE) eligibility.

1. Residential Customers are eligible for PCE for actual consumption of not more than 500 kilowatt-hours per month.
2. Customers that are classified as local community facilities are eligible for PCE, calculated in the aggregate for each community served by the Utility, for actual consumption of not more than 70 kilowatt-hours per month for each resident of the community. The number of community residents shall be determined under AS 29.60.020.
3. Customers not listed above are not eligible for PCE.

If appropriations are sufficient for payment in full, the amount of Power Cost Equalization to be credited to the bills of all eligible customers rendered on or after the effective date set forth below is as follows:

<u>Schedule</u>	<u>PCE Amount</u>	
ALL	\$0.2781 per kWh	I

TA173-341

Effective: October 23, 2020

Issued by: Gold Country EnergyBy: **Richard Symons Jr.**

Richard Symons Jr

Title: Owner

RCANo. 341

44th

Canceling

43rd

Sheet No. 62

Sheet No. 62



Utility Name: Gold Country Energy

**V. POWER COST EQUALIZATION**

## Power Cost Equalization

The following conditions apply to Power Cost Equalization (PCE) eligibility.

1. Residential Customers are eligible for PCE for actual consumption of not more than 500 kilowatt-hours per month.
2. Customers that are classified as local community facilities are eligible for PCE, calculated in the aggregate for each community served by the Utility, for actual consumption of not more than 70 kilowatt-hours per month for each resident of the community. The number of community residents shall be determined under AS 29.60.020.
3. Customers not listed above are not eligible for PCE.

If appropriations are sufficient for payment in full, the amount of Power Cost Equalization to be credited to the bills of all eligible customers rendered on or after the effective date set forth below is as follows:

<u>Schedule</u>	<u>PCE Amount</u>	
ALL	\$0.2509 per kWh	R

TA174-341

Effective: January 7, 2021

Issued by: Gold Country EnergyBy: **Richard Symons Jr.**

Richard Symons Jr

Title: Owner



RCA No. 341 35th Sheet No. 67  
 Canceling  
 34th Sheet No. 67

**RECEIVED**  
**SEP 08 2020**  
 STATE OF ALASKA  
 REGULATORY COMMISSION OF ALASKA

Utility Name: Gold Country Energy

1. Estimated costs for 3 months beginning 07/01/2020.

Source	Estimated Quantity	Estimated Unit Cost	Total
Diesel fuel	11,095	\$2.2702	\$ 25,187.87 I
Purchased Power			\$ 0.00
TOTAL			\$ 25,187.87 I

2. Balance in Cost of Power Balancing Account as of 6/30/2020 \$ -6,813.46 R

3. TOTAL [1 + 2] \$ 18,374.41 R

4. Estimated retail sales for 3 months (kWh) 82,163kWh I

5. Projected cost of power [3/4] \$ 0.2236/kWh R

6. Base cost of power \$ 0.1387/kWh

7. Cost of power adjustment amount [5-6] \$ 0.0849kWh R

TA173-341 Effective: October 23, 2020

Issued by: Gold Country Energy

By: **Richard Symons Jr.** Title: Owner  
 Richard Symons Jr

RCA No. 341 36th Sheet No. 67  
 Canceling  
 35th Sheet No. 67

**RECEIVED**  
**NOV 23 2020**  
 RCA

Utility Name: Gold Country Energy

1. Estimated costs for 3 months beginning 10/01/2020.

Source	Estimated Quantity	Estimated Unit Cost	Total
Diesel fuel	10,897	\$2.0054	\$ 21,852.75 R
Purchased Power			\$ 0.00
TOTAL			\$ 21,852.75 R

2. Balance in Cost of Power Balancing Account as of 9/30/2020 \$ -4,363.49 I

3. TOTAL [1 + 2] \$ 17,489.26 R

4. Estimated retail sales for 3 months (kWh) 89,490kWh I

5. Projected cost of power [3/4] \$ 0.1954/kWh R

6. Base cost of power \$ 0.1387/kWh

7. Cost of power adjustment amount [5-6] \$ 0.0567kWh R

TA174-341 Effective: January 7, 2021

Issued by: Gold Country Energy

By: **Richard Symons Jr.** Title: Owner  
 Richard Symons Jr

RCA No. 341 32nd Sheet No. 68  
Canceling  
31st Sheet No. 68



Utility Name: Gold Country Energy

#### VII. SMALL FACILITY POWER PURCHASE RATE (SFPPR)

The Small Facility Power Purchase Rate is the rate for GCE's purchase of energy from Qualifying Facilities with a Design Capacity of 100kWh or less. The update definition of Qualifying Facility by the Federal Energy Regulatory Commission is employed in RCA's new regulations at 3 AAC 50.820(11), as is the methodology of the calculation of the SFPPR. This calculation of SFPPR is consistent with that.

The SFPPR, expressed in cents-per-kilowatt-hour, is calculated as the sum of projected Fuel Costs, Variable Operations and Maintenance (O&M) Expenses, and the Energy Portion of Purchased Power Expense divided by the Number of Kilowatts Sold, using the same projected costs and sales in the COPA methodology.

A. Fuel Costs including Energy Portion of Purchased Power Expense (Line 1 of Tariff Sheet 67)	\$25,187.87	I
Variable O&M Expense	\$ 0.00	
Total Expense	\$25,187.87	I
B. Estimated Kilowatts Sold (Line 4 of Tariff Sheet 67)	82,163 kWh	I
C. SFPPR Rate (Calculated as A/B)	\$0.3066/kWh	I

TA173-341 Effective: October 23, 2020

Issued by: Gold Country Energy

By: **Richard Symons Jr.**  
Richard Symons Jr

Title: Owner

RCA No. 341 33rd Sheet No. 68  
Canceling  
32nd Sheet No. 68



Utility Name: Gold Country Energy

#### VII. SMALL FACILITY POWER PURCHASE RATE (SFPPR)

The Small Facility Power Purchase Rate is the rate for GCE's purchase of energy from Qualifying Facilities with a Design Capacity of 100kWh or less. The update definition of Qualifying Facility by the Federal Energy Regulatory Commission is employed in RCA's new regulations at 3 AAC 50.820(11), as is the methodology of the calculation of the SFPPR. This calculation of SFPPR is consistent with that.

The SFPPR, expressed in cents-per-kilowatt-hour, is calculated as the sum of projected Fuel Costs, Variable Operations and Maintenance (O&M) Expenses, and the Energy Portion of Purchased Power Expense divided by the Number of Kilowatts Sold, using the same projected costs and sales in the COPA methodology.

A. Fuel Costs including Energy Portion of Purchased Power Expense (Line 1 of Tariff Sheet 67)	\$21,852.75	R
Variable O&M Expense	\$ 0.00	
Total Expense	\$21,852.75	R
B. Estimated Kilowatts Sold (Line 4 of Tariff Sheet 67)	89,490 kWh	I
C. SFPPR Rate (Calculated as A/B)	\$0.2442/kWh	R

TA174-341 Effective: January 7, 2021

Issued by: Gold Country Energy

By: **Richard Symons Jr.**  
Richard Symons Jr

Title: Owner

**Gold Country Energy**  
**POWER COST EQUALIZATION**  
TA174-341

Calculation of Power Cost Equalization		
Line	Description	Updated Commission Determination (\$/kWh)
A	Non-Fuel Power Costs	0.2983
B	Fuel Power Costs	0.2007
C	Total Power Costs	0.4990
D	Total Costs Less \$0.2063/kWh	0.2927
E	95% of Total Power Costs	0.2781
F	Statutory Maximum [(1-0.2063)*0.95]	0.7540
	Lesser of E or F	0.2781
H	Customer Class Rate All	0.5794
I	Power Cost Equalization - Lesser of G or H All	0.2781
J	Power Cost Equalization - After Reduction All	100% 0.2781

Amendment to Allowable Costs		
Line	Description	Amount
1	NON-FUEL COSTS	
2	Allowable Non-Fuel Cost	\$ 110,342
3	Twelve Month Total kWh Sales	370,700
4	Regulatory Cost Charge	\$ 0.000654
5	Total Non-Fuel Power Costs	0.2983
6	FUEL COSTS	
7	Current Fuel Price	\$ 2.0054
8	Estimated Fuel Consumption (gallons)	10,897
9	Estimated kWh Sales (kWh)	89,490
10	Imputed Balancing Account Balance	(\$6,451)
11	Total Fuel Power Costs	0.1721
Surcharge Calculation		
Line	Description	Amount
1	Total Estimated Fuel Power Costs	21,853
2	Imputed Balancing Account Balance	(\$6,451.00)
3	Total	15,402
4	Estimated Retail Sales	89,490
5	Projected Cost of Power	0.1721
6	Base Cost of Power	0.1387
7	Surcharge	\$ 0.0334

Calculation of Average Customer Class Rate per kWh									
Line	kWh (by Block)	Rate (\$/kWh)	Customer Charge	Imputed COPA Surcharge (\$/kWh)	RCC (\$/kWh)	Total Rate (\$/kWh)	Total (\$)	Average Rate (\$/kWh)	Average Rate Less \$0.2063/kWh (\$/kWh)
1	All	0.5089	-	0.0334	0.000654	0.5430	271.50	0.5430	0.3367